

Message Text

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PAGE 01 MANILA 01431 280937Z
ACTION EB-08

INFO OCT-01 EA-07 ISO-00 COME-00 TRSE-00 XMB-02 OPIC-03
AID-05 IGA-02 L-03 CIAE-00 INR-07 NSAE-00 PRS-01
FRB-03 /042 W
-----281355Z 084322 /43
R 280902Z JAN 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 5403
INFO AMCONSUL HONG KONG

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HONG KONG FOR REGIONAL TREASURY REPRESENTATIVE

E. O. 11652: NA
TAGS: EFIN, RP
SUBJECT: CENTRAL BANK GOVERNOR DISCUSSES BALANCE OF PAYMENTS
AND FOREIGN BORROWING IN 1977

REF: MANILA A-28

1. MANILA DAILIES REPORT THE JANUARY 27 REMARKS OF CENTRAL BANK GOVERNOR GREGORIO LICAROS BEFORE ROTARY CLUB. HE REPORTEDLY STATED THAT THE BANK WILL ATTEMPT TO CURTAIL FOREIGN BORROWING BY THE PRIVATE SECTOR IN 1977, IN ORDER TO "REDUCE THEIR DEPENDENCE ON FOREIGN FUND SOURCES AND AT THE SAME TIME INCREASE THEIR RELIANCE ON DOMESTIC FUNDS." ACCORDING TO BULLETIN TODAY, LICAROS ALSO FORECAST A BALANCE OF TRADE DEFICIT OF \$873 MILLION AND OVERALL BALANCE OF PAYMENTS DEFICIT OF \$200 MILLION. HE STATED THAT THERE WILL BE NO PESO DEVALUATION THIS YEAR.

2. COMMENT. REFERENCED AIRGRAM, WHICH WILL BE POUCHED JAN 31, REPORTS THAT 1976 TRADE DEFICIT WAS \$866 MILLION, AND BOP DEFICIT \$164 MILLION. LICAROS' 1977 PROJECTION APPEARS REASONABLE TO US,
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AND WE PRESUME IT GROWS OUT OF THE MOST RECENT IMF CONSULTATION ON THE EXTENDED FUND FACILITY (EFF). HIS COMMENTS ON PRIVATE BORROWING IMPLY A SENSITIVITY TO THE DEFICIT, BUT IT REMAINS TO BE SEEN HOW MUCH BORROWING CAN BE SHIFTED FROM FOREIGN TO DOMESTIC SOURCES.
SULLIVAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CENTRAL BANK, SPEECHES, BALANCE OF PAYMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA01431
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770031-0657
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977019/aaaaahgj.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 2ef1e4dd-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 MANILA A-28
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3677988
Secure: OPEN
Status: NATIVE
Subject: CENTRAL BANK GOVERNOR DISCUSSES BALANCE OF PAYMENTS AND FOREIGN BORROWING IN 1977
TAGS: EFIN, RP, (LICAROS, GREGORIO)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/2ef1e4dd-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009